

Washington, D.C. – North Carolina Representatives David Price (NC-04), G.K. Butterfield (NC-01), and Mel Watt (NC-12) urged Republican Governor Pat McCrory not to hurt the North Carolina economy and working families by signing into law an anti-Medicaid expansion bill that has been rushed through the General Assembly in a matter of days. The Representatives urged the Governor to veto the deeply damaging Senate Bill 4, which denies as many as 500,000 North Carolinians the access to affordable, quality health care that they would otherwise receive through the federally-funded expansion of Medicaid. Last week, the members sent a similar letter to the General Assembly.

According to state-sponsored and outside studies, blocking Medicaid expansion would increase costs for the State, increase premiums for those with insurance, block the creation of thousands of new jobs, and squeeze small hospitals. Many restaurant owners and other employers of low-wage and part-time workers will also be required to provide insurance for their employees if they are not covered by Medicaid expansion. The members write:

"Under the terms of the law, the federal government will cover 100 percent of the costs of Medicaid expansion for the first three years and then phase down to 90 percent of the costs by 2020. . . The North Carolina Institute of Medicine estimates that expansion will save the State more than \$65 million over the next eight years, leveraging at least \$15 billion in federal funds over the next decade. At a time of pressing fiscal challenges, there is no reason for our state's leaders to leave this money just sitting on the table, especially since states can decide to opt out later if the terms of the agreement should shift."

A recent study commissioned by the N.C. Department of Health and Human Services found that the expansion of Medicaid could inject about \$1.4 billion into the North Carolina economy, creating as many as 23,000 jobs. Republican governors in Arizona, Ohio, Michigan, New Mexico, and North Dakota have already decided to implement Medicaid expansion because uncompensated care imposes a "hidden tax" on those with insurance. The letter continues:

"The societal costs of S.B. 4 are also clear: Rejecting Medicaid expansion would exclude nearly 500,000 North Carolinians from gaining access to health care insurance, leaving them reliant on emergency rooms and other uncompensated care that is driving many of our small hospitals to the brink of insolvency. The lack of access to preventative screenings and chronic disease care will deny educational and economic opportunities to these North Carolinians. To make matters worse, if our state does not expand Medicaid, we will continue to bear the burden of uncompensated high-cost ambulatory care through our taxes and, for the insured, through the

"hidden tax" paid in the form of higher private health insurance premiums. The American Academy of Actuaries estimates that premiums for private insurance will be at least two percent higher in states that do not expand Medicaid, since many of those who would be eligible for the expansion will continue to rely disproportionately on emergency care instead."

[Click here for the full text of the letter](#) .

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